

## 2020 Limitations for Retirement Plans, HSAs, and FSAs

Limitations for Qualified Retirement Plans		
Limitation Description	2019	2020
Maximum annual benefit under a defined benefit plan under IRC Section 415(b)(1)(A)	\$225,000	\$230,000
Maximum annual contribution to an individual's defined contribution plan account under IRC Section 415(c)	\$56,000 (plus catch-up)	\$57,000 (plus catch-up)
Maximum amount of annual compensation that may be taken into account for determining benefits or contributions to retirement plans under IRC Sections 401(a)(17), 404(l), 408(k)(3)(C), and 408(k)(6)(D)(ii)	\$280,000	\$285,000
Elective contribution limit under 401(k), 403(b), and most 457 plans	\$19,000	\$19,500
The catch-up contribution limit for employees who are age 50 and over who participate in 401(k), 403(b), and most 457 plans	\$6,000	\$6,500
Dollar limitation used in the definition of "highly compensated employee" under IRC Section 414(q)(1)(B)	\$125,000	\$130,000
Amount of compensation to be a "key" employee under IRC Section 416(i)(1)(A)(i)	\$180,000	\$185,000
Wage Base for Social Security Tax	\$132,900	\$137,700*
Limitations on Fringe Benefits		
Monthly limitation for qualified transportation fringe benefit (transit/parking) under Section 132(f)(2)	\$265	\$270
Limitations on Health Savings Accounts (HSAs)		
Limitation Description	2019	2020
Maximum annual contribution under Section 223 (b)(2)	\$3,500 (individual); \$7,000 (family)	\$3,550 (individual); \$7,100 (family)
Minimum annual deductible to qualify as a "high deductible plan" under Section 223(c)(2)(A)	\$1,350 (individual); \$2,700 (family)	\$1,400 (individual); \$2,800 (family)
Maximum out-of-pocket expenses to qualify as a "high deductible plan" under Section 223(c)(2)(A)	\$6,750 (individual); \$13,500 (family)	\$6,900 (individual); \$13,800 (family)
Limitations on Flexible Spending Accounts		
Limitation Description	2019	2020
Maximum Salary Deferral Contribution under Section 125(i)	\$2,700	\$2,750